



APPENDIX

ACTS 1909 INDIANA, Ch. 95

(Our Emphasis Throughout)

"Insurance—Life—Accident—Disease—Incorporation.

Section 1. Any ten or more persons, citizens of this state, may associate in accordance with the provisions of this act, and form an incorporated company for the following purposes: To make insurance, either upon the stock or mutual principle, upon the lives of individuals. * * * Any existing company organized under said act, approved February 10, 1899, or said amendatory act of February 25, 1903, shall possess all the powers and privileges conferred by this act without reorganizing or reincorporating hereunder. (p. 247.)

"Policies—What Same Shall Provide.

"Sec. 5. From and after July 1, 1909, no policy of life insurance shall be issued or delivered in this state or be issued by a life insurance company organized under the laws of this state, unless the same shall provide the following: (p. 251.)

"(9) That after three full years' premiums shall have been paid, the company, at any time, while the policy is in force, will loan, on the execution of a proper assignment of the policy, *and on the sole security thereof*, at a specified rate of interest, a sum equal to, or at the option of the insured, less than the amount stated in the table of options to be loaned at the end of the current policy year plus the value of the reserve on any dividend additions to the policy, and that the company will deduct from such loan value any existing indebtedness on or secured by the policy. (p. 253.)

“(10) That in the event of the default of premium payment after premiums have been paid for not less than three years, the insured *shall be entitled to the extended insurance shown in the table of values and options* for the end of the last year for which full annual premiums shall have been paid: *Provided*, That any unpaid note given for premium and any *existing indebtedness to the company on account of or secured by the policy shall reduce the amount or term of* of such extended insurance in the ratio of such indebtedness to the net value of such extended insurance: and, *Provided*, That the policy may be *surrendered* to the company at its home office within one month from date of default for a *specified cash value at least equal to the sum which would otherwise be available for the purchase of extended insurance* as aforesaid: (pp. 253, 254.)

“Forms of Policy—Approval.

“Sec. 8. No policy of life insurance shall be issued or delivered in this state by any life insurance company until the form and title of same shall have been filed with the auditor of state; and if the provisions of such policy violate any law of this state, the auditor of state shall disapprove such form, * * *. The action of the auditor of state shall be subject to review by any court of competent jurisdiction. (pp. 255-256.)

“For Companies—Reciprocal Conditions.

“Sec. 9. The policies of a life insurance company, not organized under the laws of this state, may, when issued in this state, contain any provision which the laws of the state, territory, district or country under which the company is organized prescribes shall be in such policies and the method of valuation of such policies required by the laws of the state, territory, district, or country where such

company is organized, shall be accepted by the auditor of state of this state, and the policies of a life insurance company organized under the laws of this state may, when issued or delivered in any other state, territory, district or country, contain any provisions required by the laws of the state, territory, district or country in which the same are issued or delivered, anything in this act other than in subdivision five (5), section six (6) to the contrary notwithstanding: *Provided*, That the provisions of the laws of such state, territory, district or country are shown to the satisfaction of the auditor of this state to as carefully safeguard the policy holders as do the laws of this state." (p. 256.)

(Subdivision 5 of section 6 referred to immediately above, is:) "(5) Which contains any clause promising to the holder of such policy any special dividend or benefit to be derived from any other policy; nor shall any company organized under the laws of this state issue in connection with any policy any separate paper or contract promising any such special dividend or benefit; nor shall any company be admitted to do business in this state that issues policies which contain any such clause, or which issues in connection with any policy any separate paper or contract promising any such dividend or benefit." (p. 255.)

ACTS 1925—INDIANA, Ch. 195, Sec. 1, Subsec. 10,
(Amending Acts 1909, Ch. 95).

"Section 1. From and after July 1, 1909, no policy of life insurance shall be issued or delivered in this state or be issued by a life insurance company organized under the laws of this state, unless the same shall provide the following: (p. 466.)

"(10) That in the event of *default of premium* payment after premiums have been paid for not less than three years,

the insured shall be *entitled to the extended insurance shown in the table of values* and options for the end of the last year for which full annual premiums shall have been paid: Provided, That if there be any unpaid note given for a premium or any indebtedness to the company on account of or secured by the policy, the amount of extended insurance shall be reduced in the ratio of such indebtedness to the net value of such extended insurance; *or, the amount of such indebtedness shall be deducted from the net value of the extended insurance otherwise available and the balance shall be applied as a net single premium to purchase extended insurance* for an amount equal either to the face of the policy or to the face of the policy less the amount of such indebtedness." (p. 469).

